



Tax Year End Planning Guide

What to Review Before 5 April

As the tax year draws to a close, there are valuable allowances and reliefs that reset on 6 April. If you don't use them, you usually lose them.

Here's a practical checklist of what to review before the end of the tax year — whether you're a company director, business owner, landlord or individual taxpayer.

1. Pension Contributions

Why it matters

Pension contributions can:

1. Reduce your personal tax bill
2. Reduce Corporation Tax (if paid by your company)
3. Help you use unused annual allowance from the previous three tax years

What to consider

- ✓ Have you used your **£60,000 annual allowance**?
- ✓ Do you have unused allowance to carry forward?
- ✓ Would a company pension contribution be more tax-efficient than paying yourself a dividend?
- ✓ Are you approaching the tapered annual allowance threshold?

For directors, employer contributions are often one of the most tax-efficient ways to extract profit.

2. Dividends & Dividend Allowance

Why it matters

The dividend allowance is now just **£500 per person**. After that, dividend tax applies at 8.75%, 33.75% or 39.35%.

What to consider

- ✓ Have you used your £500 dividend allowance?
- ✓ Are you staying within a lower tax band intentionally?
- ✓ Should dividends be declared before 5 April rather than after?
- ✓ Are you keeping within basic rate to avoid higher dividend tax?

Timing dividends between tax years can make a significant difference.

3. ISA Allowance

Why it matters

Your **£20,000 ISA allowance** resets on 6 April. Unused allowance is lost.

What to consider

- ✓ Have you used your ISA allowance?
- ✓ Would transferring funds into a Stocks & Shares ISA shelter future gains?
- ✓ Are you sitting on taxable investments that could be moved into an ISA?

4. Capital Gains Tax (CGT) Planning

The annual CGT exemption is now only **£3,000**.

- ✓ Have you realised gains this year?
- ✓ Could you crystallise gains within the £3,000 exemption?
- ✓ Are you planning to sell property or shares soon?
- ✓ Could transfers between spouses reduce CGT?

Careful timing of disposals can reduce overall tax.

5. Salary & Bonus Planning (Company Directors)

Before 5 April:

- ✓ Is your salary set at the most tax-efficient level?
- ✓ Have you used your personal allowance (£12,570)?
- ✓ Is a bonus more efficient this tax year or next?
- ✓ Would pension contributions be better than bonus?

For many directors, a low salary plus dividends is still efficient — but each case is different.

6. Use of Personal Allowance

If your income is below £12,570:

- ✓ Are you wasting part of your personal allowance?
- ✓ Could dividends or salary be taken to utilise it?
- ✓ Could income be shared with a spouse?

Once the year ends, unused allowance cannot be carried forward.

7. Marriage Allowance

If one spouse earns below £12,570 and the other is a basic rate taxpayer:

- ✓ Have you claimed Marriage Allowance?
- ✓ Are you eligible to backdate a claim?

8. Gift Aid Contributions

Gift Aid donations:

- ✓ Extend your basic rate band
- ✓ Reduce higher rate tax
- ✓ Can be carried back to the previous tax year (if declared before filing)

If you're close to higher rate tax, a Gift Aid donation can reduce your liability.

9. Business Purchases & Capital Allowances

For business owners:

- ✓ Are you planning equipment purchases?
- ✓ Should assets be bought before 5 April?
- ✓ Have you reviewed use of the Annual Investment Allowance?
- ✓ Would paying expenses early accelerate tax relief?

Timing expenditure can affect cashflow and tax.

10. Making Use of Losses

- ✓ Do you have capital losses that could offset gains?
 - ✓ Does your business have losses that could be utilised?
 - ✓ Are there group relief opportunities?
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11. High Income Child Benefit Charge

If income is between £60,000–£80,000:

- ✓ Would a pension contribution reduce adjusted net income?
 - ✓ Can tax be mitigated before full clawback applies?
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12. Rental Property Owners

- ✓ Are mortgage interest restrictions affecting you?
- ✓ Would pension contributions reduce higher rate exposure?
- ✓ Should repairs be done before year end?

With Making Tax Digital approaching, this is a good time to review your structure and records.

Why Timing Matters

After 5 April:

- Allowances reset
- Opportunities disappear
- Planning becomes retrospective

Good tax planning is **proactive** — not reactive.

Need a Year End Review?

At **Robertsons Tax Ltd**, we help business owners and individuals make informed, confident decisions before the deadline — not after it.

A short planning conversation now can often save significantly more than it costs.

👉 **Book a 15-minute Year End Tax Review Call** and let's make sure you're not leaving money on the table.